

Financial Model Scenario Summary

Impact Summary of All PUB and CAC Requests

Name		Descriptive	Rate Impact	2013/14P	2014/15P	2015/16P	2016/17P	2017/2018P
Base - GRA Interest Rate Apr 2013		With 1.8% Prem. Rate Increase	Basic Net Income	5,472	(7,494)	2,178	20,500	24,240
			Retained Earnings	\$ 146,941	139,448	141,626	\$ 162,126	\$ 186,366
Round 1 Scenarios								
PUB 1-3 (a)	Motor Vehicle Premium 0%	Premium rate increase 0% 2014/15, 0% 2015/16, 0% 2016/17	Basic Net Income	5,472	(14,824)	(11,909)	6,009	9,150
			Retained Earnings	146,941	132,118	120,209	126,218	135,368
		DIFFERENCE TO BASE	Basic Net Income	-	(7,330)	(14,087)	(14,490)	(15,090)
			Retained Earnings	\$ -	(7,330)	(21,417)	\$ (35,908)	\$ (50,998)
PUB 1-3 (b)	Motor Vehicle Premium 1% 2014/15	Premium rate increase 1.0% 2014/15, 0% 2015/16, 0% 2016/17	Basic Net Income	5,472	(10,751)	(4,076)	14,062	17,535
			Retained Earnings	146,941	136,190	132,114	146,176	163,711
		DIFFERENCE TO BASE	Basic Net Income	-	(3,257)	(6,254)	(6,438)	(6,706)
			Retained Earnings	\$ -	(3,257)	(9,512)	\$ (15,950)	\$ (22,655)
PUB 1-4 (a)	Motor Vehicle Premium 1.8% with Standard	Standard interest rate forecast	Basic Net Income	21,005	9,203	15,019	37,037	34,063
		Premium rate increase 1.8% 2014/15	Retained Earnings	162,474	171,677	186,696	223,733	257,796
		DIFFERENCE TO BASE	Basic Net Income	15,532	16,697	12,841	16,537	9,823
			Retained Earnings	\$ 15,532	32,230	45,070	\$ 61,607	\$ 71,430
PUB 1-4 (b)	Motor Vehicle Premium 0% with Standard	Standard interest rate forecast	Basic Net Income	33,601	(16,617)	3,782	17,313	28,996
		Premium rate increase 0% 2014/15	Retained Earnings	162,474	164,392	165,603	188,449	207,034
		DIFFERENCE TO BASE	Basic Net Income	28,129	(8,123)	1,604	(3,187)	4,756
			Retained Earnings	\$ 15,532	24,944	23,977	\$ 26,323	\$ 20,669
PUB 1-4 (c)	Motor Vehicle Premium 1% with Standard	Standard interest rate forecast	Basic Net Income	21,005	5,970	8,884	30,731	27,185
		Premium rate increase 1% 2014/15	Retained Earnings	162,474	168,443	177,328	208,059	235,244
		DIFFERENCE TO BASE	Basic Net Income	15,532	13,464	6,706	10,231	2,945
			Retained Earnings	\$ 15,532	28,996	35,702	\$ 45,933	\$ 48,878
PUB 1-5 (a)	Motor Vehicle Volume 2.5%, 2.25%, 2.25%	GRA interest rate forecast	Basic Net Income	7,442	(1,764)	12,329	32,779	37,035
		Premium rate increase 1.8% 2014/15	Retained Earnings	148,912	147,147	159,476	192,255	229,290
		Vol: 2.5% 13/14, 2.25% 14/15 & 15/16	Basic Net Income	1,970	5,729	10,150	12,280	12,795
		DIFFERENCE TO BASE	Retained Earnings	\$ 1,970	7,700	17,850	\$ 30,130	\$ 42,924
PUB 1-5 (b)	Motor Vehicle Volume 3.0%, 3.0%, 3.0%	GRA interest rate forecast	Basic Net Income	7,433	(1,762)	12,332	32,770	37,025
		Premium rate increase 1.8% 2014/15	Retained Earnings	148,912	147,147	159,476	192,255	229,290
		Upgrade Factor to 3.0% in 13/14, 14/15, 15/16	Basic Net Income	1,961	5,732	10,154	12,270	12,785
		DIFFERENCE TO BASE	Retained Earnings	\$ 1,970	7,700	17,850	\$ 30,130	\$ 42,924
PUB 1-5 (a)	Motor Vehicle Volume 2.5%, 2.25%, 2.25%	GRA interest rate forecast	Basic Net Income	7,433	(1,762)	12,332	32,770	37,025
		Premium rate increase 1.8% 2014/15	Retained Earnings	148,902	147,140	159,473	192,243	229,268
		Vol: 2.5% 13/14, 2.25% 14/15 & 15/16	Basic Net Income	1,961	5,732	10,154	12,270	12,785
		DIFFERENCE TO BASE	Retained Earnings	\$ 1,961	7,693	17,847	\$ 30,117	\$ 42,902
PUB 1-26 a & CAC 1-87	50 bps Upward Change in Yield Curve	GRA Interest rates with 50 bps upward change	Basic Net Income	31,231	(6,012)	6,077	29,026	30,129
			Retained Earnings	172,700	166,688	172,764	201,790	231,919
		DIFFERENCE TO BASE	Basic Net Income	25,758	1,482	3,898	8,526	5,889
			Retained Earnings	\$ 25,758	27,240	31,138	\$ 39,664	\$ 45,553
PUB 1-26 b	50 bps Downward Change in Yield Curve	GRA Interest rates with 50 bps downward change	Basic Net Income	(20,621)	(15,973)	(4,108)	17,815	17,440
			Retained Earnings	120,848	104,875	100,767	118,582	136,022
		DIFFERENCE TO BASE	Basic Net Income	(26,093)	(8,479)	(6,286)	(2,685)	(6,800)
			Retained Earnings	\$ (26,093)	(34,573)	(40,859)	\$ (43,544)	\$ (50,344)
PUB 1-26 c & CAC 1-87	100 bps Upward Change in Yield Curve	GRA Interest rates: 100 bps upward change in 2013/14 and another 100 bps in 2014/15	Basic Net Income	49,852	(889)	7,244	20,729	23,937
			Retained Earnings	191,321	190,432	197,676	218,405	242,342
		DIFFERENCE TO BASE	Basic Net Income	44,380	6,605	5,065	229	(303)
			Retained Earnings	\$ 44,380	50,985	56,050	\$ 56,279	\$ 55,976
PUB 1-28 e	Canadian Equities 7.2%	July Standard excluding highest forecast	Basic Net Income	5,921	(5,164)	3,412	22,239	26,576
			Retained Earnings	147,390	142,226	145,638	167,877	194,454
		DIFFERENCE TO BASE	Basic Net Income	449	2,329	1,234	1,740	2,336
			Retained Earnings	\$ 449	2,778	4,012	\$ 5,752	\$ 8,088

Round 2 Scenarios

PUB 2-10 c)	July Standard Interest Rate ex Highest	July Standard excluding highest forecast	Basic Net Income	36,871	6,664	10,155	29,346	23,671			
			Retained Earnings	178,340	185,004	195,160	224,505	248,176			
			DIFFERENCE TO BASE			Basic Net Income	31,399	14,158	7,977	8,846	(569)
			Retained Earnings	\$ 31,399	45,557	53,534	\$ 62,380	\$ 61,811			
PUB 2-10 c)	July Standard Interest Rate ex Highest	July Standard excluding highest forecast	Basic Net Income	36,871	6,664	10,155	29,346	23,671			
			Retained Earnings	178,340	185,004	195,160	224,505	248,176			
			DIFFERENCE TO BASE			Basic Net Income	31,399	14,158	7,977	8,846	(569)
			Retained Earnings	\$ 31,399	45,557	53,534	\$ 62,380	\$ 61,811			
PUB 2-15	Combined Scenario	Standard forecast (July), adjust dividend yield, 7.2% Cdn equity return, 7.6% U.S. equity return, 5th per. IPD CDN Property Index, fix amortization error	Basic Net Income	42,550	14,870	17,547	37,785	33,669			
			Retained Earnings	184,019	198,889	216,436	254,221	287,890			
			DIFFERENCE TO BASE			Basic Net Income	37,078	22,363	15,368	17,285	9,429
			Retained Earnings	\$ 37,078	59,441	74,810	\$ 92,095	\$ 101,524			
PUB 2-16 a)	Standard Interest Rate Forecast April 2013	Standard Interest Rate Forecast April 2013	Basic Net Income	21,005	1,918	1,211	22,846	18,585			
			Retained Earnings	162,474	164,392	165,603	188,449	207,034			
			DIFFERENCE TO BASE			Basic Net Income	15,532	9,412	(967)	2,346	(5,655)
			Retained Earnings	\$ 15,532	24,944	23,977	\$ 26,323	\$ 20,669			
PUB 2-16 a)	Standard Interest Rate Forecast July 2013	Standard Interest Rate Forecast July 2013	Basic Net Income	37,668	7,110	10,668	29,777	24,171			
			Retained Earnings	179,137	186,247	196,915	226,692	250,863			
			DIFFERENCE TO BASE			Basic Net Income	32,196	14,603	8,490	9,278	(69)
			Retained Earnings	\$ 32,196	46,799	55,289	\$ 64,566	\$ 64,498			
PUB 2-16 a)	GRA Interest Rate July 2013	GRA Interest Rate July 2013	Basic Net Income	33,601	(16,617)	3,782	17,313	28,996			
			Retained Earnings	175,071	158,454	162,235	173,548	208,543			
			DIFFERENCE TO BASE			Basic Net Income	28,129	(8,123)	1,603	(3,187)	4,755
			Retained Earnings	\$ 28,129	19,006	20,609	\$ 17,422	\$ 22,178			
PUB 2-16 a)	Standard Interest Rate Forecast July 2013	Standard Interest Rate Forecast July 2013	Basic Net Income	37,668	7,110	10,668	29,777	24,171			
			Retained Earnings	179,137	186,247	196,915	226,692	250,863			
			DIFFERENCE TO BASE			Basic Net Income	32,196	14,603	8,490	9,278	(69)
			Retained Earnings	\$ 32,196	46,799	55,289	\$ 64,566	\$ 64,498			

Pre-Hearing Questions

Pre-ask 2 c	5 Banks no GI (September)	0% Premium Rate Increase	Basic Net Income Retained Earnings		51,434	2,847	(14,318)	20,788	20,284		
					192,903	195,750	181,432	202,220	222,504		
DIFFERENCE TO BASE				45,961	10,341	(16,496)	289	(3,956)			
				\$	45,961	56,302	39,806	\$	40,095	\$	36,138
Pre-ask 2 c	5 Banks no GI (September)	1.0% Premium Rate Increase	Basic Net Income Retained Earnings		51,434	6,875	(6,373)	28,971	29,001		
					192,903	199,778	193,405	222,376	251,377		
DIFFERENCE TO BASE				45,961	14,369	(8,552)	8,471	4,760			
				\$	45,961	60,331	51,779	\$	60,250	\$	65,011
Pre-ask 2 c	5 Banks no GI (September)	1.8% Premium Rate Increase	Basic Net Income Retained Earnings		51,434	10,098	(18)	35,516	35,973		
					192,903	203,001	202,983	238,499	274,472		
DIFFERENCE TO BASE				45,961	17,592	(2,196)	15,017	11,733			
				\$	45,961	63,553	61,357	\$	76,373	\$	88,107
Pre-ask 2 c	Avg Period with 5 Banks and GI excl highest	0% Premium Rate Increase	Basic Net Income Retained Earnings		49,573	(5,712)	(7,409)	19,473	19,660		
					191,042	185,330	177,921	197,393	217,053		
DIFFERENCE TO BASE				44,100	1,782	(9,587)	(1,027)	(4,581)			
				\$	44,100	45,882	36,295	\$	35,268	\$	30,687
Pre-ask 2 c	Avg Period with 5 Banks and GI excl highest	1.0% Premium Rate Increase	Basic Net Income Retained Earnings		49,573	(1,667)	427	27,590	28,356		
					191,042	189,374	189,802	217,392	245,749		
DIFFERENCE TO BASE				44,100	5,826	(1,751)	7,091	4,116			
				\$	44,100	49,927	48,176	\$	55,267	\$	59,383
Pre-ask 2 c	Avg Period with 5 Banks and GI excl highest	1.8% Premium Rate Increase	Basic Net Income Retained Earnings		49,573	1,568	6,696	34,084	35,313		
					191,042	192,610	199,306	233,390	268,703		
DIFFERENCE TO BASE				44,100	9,062	4,517	13,584	11,073			
				\$	44,100	53,162	57,680	\$	71,264	\$	82,337

Interest Rate Scenario Summaries

4B	GRA Interest Rate - July 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		33,601	(16,617)	3,782	17,313	28,996	
					175,071	158,454	162,235	179,548	208,543	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	28,129	(8,123)	1,604	(3,187)	4,756
					<div>Retained Earnings</div>	\$ 28,130	19,006	20,609	\$ 17,422	\$ 22,177
4C	GRA Interest Rate - September 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		47,949	(12,914)	8,073	6,080	33,097	
					189,418	176,504	184,578	190,658	223,755	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	42,477	(5,420)	5,895	(14,420)	8,857
					<div>Retained Earnings</div>	\$ 42,477	37,057	42,952	\$ 28,532	\$ 37,389
1A	Standard - April 2013	No Premium Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		21,005	1,918	1,211	22,846	18,585	
					162,474	164,392	165,603	188,449	207,034	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	15,533	9,412	(967)	2,346	(5,655)
					<div>Retained Earnings</div>	\$ 15,533	24,944	23,977	\$ 26,323	\$ 20,668
1B	Standard - July 2013	1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		37,668	7,110	10,668	29,777	24,171	
					179,137	178,981	175,640	190,773	198,802	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	32,196	14,603	8,490	9,278	(69)
					<div>Retained Earnings</div>	\$ 32,196	39,533	34,014	\$ 28,647	\$ 12,436
1C	Standard - September 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		52,461	(407)	2,371	33,377	37,027	
					193,930	193,523	195,894	229,270	266,297	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	46,988	7,087	192	12,877	12,787
					<div>Retained Earnings</div>	\$ 46,988	54,075	54,268	\$ 67,145	\$ 79,932
2A	Low Interest Rate Growth - Apr 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		5,483	(7,658)	1,484	(5,003)	(2,634)	
					146,952	139,295	140,779	135,776	133,142	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	11	(164)	(694)	(25,503)	(26,874)
					<div>Retained Earnings</div>	\$ 11	(153)	(847)	\$ (26,350)	\$ (53,224)
2B	Low Interest Rate Growth - July 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		33,645	(16,935)	2,993	6,822	(1,584)	
					175,114	158,179	161,172	167,995	166,411	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	28,173	(9,441)	815	(13,678)	(25,824)
					<div>Retained Earnings</div>	\$ 28,173	18,731	19,546	\$ 5,869	\$ (19,955)
3A	CBOC Interest Rates - April 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		(5,565)	(16,944)	16,117	21,332	20,927	
					135,904	118,960	135,077	156,409	177,336	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	(11,037)	(9,450)	13,939	832	(3,313)
					<div>Retained Earnings</div>	\$ (11,037)	(20,488)	(6,549)	\$ (5,717)	\$ (9,030)
3B	CBOC Interest Rates - July 2013	With 1.8% Prem. Rate Increase	<div>Basic Net Income</div> <div>Retained Earnings</div>		5,923	(21,496)	14,673	22,789	23,160	
					147,393	125,897	140,570	163,359	186,519	
				DIFFERENCE TO BASE	<div>Basic Net Income</div>	451	(14,002)	12,495	2,289	(1,080)
					<div>Retained Earnings</div>	\$ 452	(13,551)	(1,056)	\$ 1,233	\$ 153

PUB 2-15 Attachment

a)	Standard - July 2013	Based on July 2013 Update	Basic Net Income Retained Earnings		37,668	7,110	10,668	29,777	24,171			
					\$	179,137	186,247	196,915	\$	226,692	\$	250,863
				DIFFERENCE TO BASE				32,196	14,603	8,490	9,278	(69)
					\$	32,196	46,799	55,289	\$	64,566	\$	64,498
b)	Dividend Yield Forecast	Dividen Yield Forecast	Basic Net Income Retained Earnings		5,110	(7,392)	2,990	21,261	24,998			
					\$	146,580	139,188	142,178	\$	163,439	\$	188,436
				DIFFERENCE TO BASE				(362)	102	812	761	757
					\$	(362)	(260)	552	\$	1,313	\$	2,070
c)	7.2% CDN Equity Return	7.2% based on 5th percentile 20 year annualized return	Basic Net Income Retained Earnings		5,921	(5,164)	3,412	22,239	26,576			
					\$	147,390	142,226	145,638	\$	167,877	\$	194,454
				DIFFERENCE TO BASE				449	2,329	1,234	1,740	2,336
					\$	449	2,778	4,012	\$	5,752	\$	8,088
d)	7.6% US Equity Return	7.6% based on 5th percentile 20 year annualized return	Basic Net Income Retained Earnings		5,477	(7,527)	2,241	20,594	24,381			
					\$	146,946	139,420	141,661	\$	162,254	\$	186,635
				DIFFERENCE TO BASE				5	(33)	63	94	141
					\$	5	(28)	35	\$	129	\$	270
e)	IPD Canada	5th percentile 20 year annualized return	Basic Net Income Retained Earnings		10,262	(3,594)	6,801	25,739	30,141			
					\$	151,731	148,137	154,938	\$	180,677	\$	210,818
				DIFFERENCE TO BASE				4,790	3,900	4,623	5,239	5,901
					\$	4,790	8,690	13,312	\$	18,551	\$	24,452
f)	Amortization Correction	Correcting \$1.2M Amortization in 2014/15	Basic Net Income Retained Earnings		5,472	(6,315)	2,199	20,567	24,245			
					\$	146,941	140,627	142,826	\$	163,333	\$	187,578
				DIFFERENCE TO BASE				-	1,179	21	7	5
					\$	-	1,179	1,200	\$	1,207	\$	1,212
COMBINED	All scenarios	All scenarios combined with matching durations	Basic Net Income Retained Earnings		42,550	14,870	17,547	37,785	33,669			
					\$	184,019	198,889	216,436	\$	254,221	\$	287,890
				DIFFERENCE TO BASE				37,078	22,363	15,368	17,285	9,429
					\$	37,078	59,441	74,810	\$	92,095	\$	101,524